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96TH CONGRESS
1ST SESSION

S. 245

To promote the foreign policy of the United States through the maintenance of commercial, cultural, and other relations with the people on Taiwan on an unofficial basis, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 29 (legislative day, JANUARY 15), 1979

Mr. CHURCH (by request) introduced the following bill; which was read twice and referred to the Committee on Foreign Relations

A BILL

To promote the foreign policy of the United States through the maintenance of commercial, cultural, and other relations with the people on Taiwan on an unofficial basis, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 TITLE I

4 SEC. 101. No requirement for maintenance of diplomat-
5 ic relations with the United States, or for recognition of a
6 government by the United States, as a condition of eligibility

1 for participation in programs, transactions, or other relations
2 authorized by or pursuant to United States law shall apply
3 with respect to the people on Taiwan.

4 SEC. 102. Whenever any law, regulation, or order of
5 the United States refers or relates to a foreign country,
6 nation, state, government, or similar entity, such terms shall
7 include, and such law, regulation, or order shall apply with
8 respect to, the people on Taiwan.

9 SEC. 103. Whenever authorized or required by or pur-
10 suant to United States law to conduct or carry out programs,
11 transactions, or other relations with respect to a foreign
12 country, nation, state, government, or similar entity, the
13 President or any department or agency of the United States
14 Government is authorized to conduct and carry out such pro-
15 grams, transactions, and other relations with respect to the
16 people on Taiwan, in accordance with applicable laws of the
17 United States.

18 SEC. 104. Programs, transactions, and other relations
19 conducted or carried out by the President or any department
20 or agency of the United States Government with respect to
21 the people on Taiwan shall, as the President may direct, be
22 conducted and carried out by or through the American Insti-
23 tute in Taiwan, a nonprofit corporation incorporated under
24 the laws of the District of Columbia (hereinafter "the Insti-
25 tute").

1 trative and technical support functions and services for the
2 operations of, the Institute upon such terms and conditions as
3 the President may direct. Reimbursements to departments
4 and agencies under this section shall be credited to the cur-
5 rent applicable appropriation of the department or agency
6 concerned.

7 SEC. 202. Any department or agency of the United
8 States Government is authorized to acquire and accept serv-
9 ices from the Institute upon such terms and conditions as the
10 President may direct, without regard to the laws and regula-
11 tions normally applicable to the acquisition of services by
12 such department or agency.

13 SEC. 203. Any department or agency of the United
14 States Government employing alien personnel in Taiwan is
15 authorized to transfer such personnel, with accrued
16 allowances, benefits, and rights, to the Institute without a
17 break in service for purposes of retirement and other benefits,
18 including continued participation in any system established
19 by law or regulation for the retirement of employees, under
20 which such personnel were covered prior to the transfer to
21 the Institute: *Provided*, That employee deductions and em-
22 ployer contributions, as required, in payment for such partici-
23 pation for the period of employment with the Institute, are
24 currently deposited in the system's fund or depository.

1 SEC. 204. (a) Under such terms and conditions as the
2 President may direct, any department or agency of the
3 United States Government is authorized to separate from
4 Government service for a specified period any officer or em-
5 ployee of that department or agency who accepts employ-
6 ment with the Institute.

7 (b) An officer or employee separated under subsection
8 (a) of this section shall be entitled upon termination of such
9 employment with the Institute to reemployment or reinstate-
10 ment with that department or agency or a successor agency
11 in an appropriate position with attendant rights, privileges,
12 and benefits which the officer or employee would have had or
13 acquired had he or she not been so separated, subject to such
14 time period and other conditions as the President may pre-
15 scribe.

16 (c) An officer or employee entitled to reemployment or
17 reinstatement rights under subsection (b) of this section shall,
18 while continuously employed by the Institute with no break
19 in continuity of service, continue to participate in any benefit
20 program in which such officer or employee was covered prior
21 to employment by the Institute, including programs for com-
22 pensation for job-related death, injury or illness; for health
23 and life insurance; for annual, sick and other statutory leave;
24 and for retirement under any system established by law or
25 regulation: *Provided*, That employee deductions and employ-

1 er contributions, as required, in payment for such participa-
2 tion for the period of employment with the Institute, must be
3 currently deposited in the program's or system's fund or de-
4 pository. Death or retirement of any such officer or employee
5 during approved service with the Institute and prior to reem-
6 ployment or reinstatement shall be considered a death in
7 service or retirement from the service for the purposes of any
8 employee or survivor benefits acquired by reason of service
9 with a department or agency of the United States Govern-
10 ment.

11 (d) Any employee of a department or agency of the
12 United States Government who entered into service with the
13 Institute on approved leave of absence without pay prior to
14 the enactment of this Act shall receive the benefits of this
15 title for the period of such service.

16 SEC. 205. The Institute shall be treated as a tax
17 exempt organization described in section 501(c)(3) of the In-
18 ternal Revenue Code of 1954, and shall not be an agency or
19 instrumentality of the United States. Employees of the Insti-
20 tute shall not be employees of the United States and, in rep-
21 resenting the Institute, shall be exempt from section 207 of
22 title 18, United States Code. The salaries and allowances
23 paid to employees of the Institute shall be treated in the
24 same way for tax purposes, under sections 911, 912 and 913
25 of the Internal Revenue Code of 1954, as salaries and equiv-

1 alent allowances paid by departments and agencies of the
2 United States Government.

3 TITLE III

4 SEC. 301. In addition to funds otherwise available for
5 the purposes of this Act, there are authorized to be appropri-
6 ated to the Secretary of State from time to time such funds
7 as may be necessary to carry out such purposes. Such funds
8 are authorized to remain available until expended.

9 SEC. 302. The Secretary of State is authorized to use
10 funds made available to carry out this Act to further the
11 maintenance of commercial, cultural and other relations with
12 the people on Taiwan on an unofficial basis. The Secretary
13 may provide such funds to the Institute for expenses directly
14 related to the purposes of this Act, including—

15 (1) payment of salaries and benefits to Institute
16 employees;

17 (2) acquisition and maintenance of buildings and
18 facilities necessary to the conduct of Institute business;

19 (3) maintenance of adequate security for Institute
20 employees and facilities; and

21 (4) such other expenses as may be necessary for
22 the effective functioning of the Institute.

23 SEC. 303. Any department or agency of the United
24 States Government making funds available to the Institute in
25 accordance with this Act shall make arrangements with the

1 Institute for the Comptroller General of the United States to
2 have access to the books and records of the Institute and the
3 opportunity to audit the operations of the Institute.

4 SEC. 304. The programs, transactions, and other rela-
5 tions carried out by the President or any department or
6 agency of the United States Government with respect to the
7 people on Taiwan since January 1, 1979, are approved and
8 confirmed.

9 SEC. 305. The President is authorized to prescribe such
10 rules and regulations as he may deem appropriate to carry
11 out the purposes of this Act.

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